

Congress of the United States
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February 14, 2017

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The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Pai:

First, congratulations on your appointment as Chairman of the Federal Communications Commission. I am encouraged by your commitment to close the digital divide and improve rural broadband access throughout the nation. As a co-chair of the Rural Broadband Caucus, I want you to know that I share these laudable goals. Internet access is critical for economic development, competitiveness, and growth, and we cannot afford to leave Americans behind simply by virtue of where they live.

While I applaud your stated commitment to conduct Commission business with an "open door," I was disappointed when I first learned via Twitter that you moved ahead with an order based on the Small Business Broadband Deployment Act bill without first consulting me—one of the original co-sponsors of the bill.

Nonetheless, I continue to support an exemption to the enhanced transparency rules that makes sense for consumers. As you may know, my home state of Iowa is home to nearly 140 small ISPs. These companies are on the ground serving consumers and deploying broadband out to the last mile. They serve a median of only 700 subscribers, and the smallest serve only 100 subscribers and have only a handful of employees. Having met with a number of these providers, I have heard time and again that portions of the enhanced transparency requirements, particularly those network management disclosure requirements that would require the acquisition of equipment, would be burdensome and would hinder their ability to serve consumers and invest in much needed broadband deployment.

While the Small Business Broadband Deployment Act certainly represents a reasonable approach to address the problem, it is not the only way forward. In fact, as I stated on the House floor when the measure initially passed, my goal in supporting this legislation has always been to give the FCC—the expert agency—flexibility to find a more tailored solution that best balances the needs of consumers with the needs of small businesses. For instance, some have suggested

that the FCC could carve out the commercial terms portion of the enhanced transparency requirement for companies serving between 100,000 and 250,000 subscribers.

More important than the specific mechanism, however, has always been that the solution is bipartisan. I am proud of the work my colleagues put in with me to craft a bipartisan approach in the House of Representatives. Those efforts would be undermined by forced party-line vote at the FCC.

Given the robust dialogue that continues regarding how best to implement an exemption from the Commission's enhanced transparency rules, I ask that no Commissioner move forward with this proposal without first working with your colleagues on the Commission, as well as Members of the House and Senate, to reach a solution that best meets the needs of America's consumers. I am confident that consumers served by small providers throughout the country would be best served by thoughtful and bipartisan consideration of this exemption.

I thank you for your work on this issue, and for your commitment to broadband access in unserved and underserved parts of our country. I would be more than happy to meet in order to discuss strategies for improving broadband access for rural Americans, and look forward to working with you to reach that goal.

Sincerely,

A handwritten signature in blue ink that reads "Dave Loebsack". The signature is fluid and cursive, with the first name "Dave" being more prominent than the last name "Loebsack".

Dave Loebsack

Member of Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

April 3, 2017

The Honorable Dave Loebsack
U.S. House of Representatives
1527 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Loebsack:

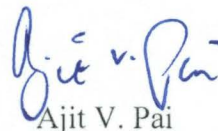
Thank you for your letter regarding my designation as Chairman of the Federal Communications Commission and your recognition for my commitment to close the digital divide and improve rural broadband access throughout the nation.

As you know, the small business exemption from the expanded reporting requirements in the *Title II Order* expired in December. That lapse left thousands of our nation's smallest and most competitive Internet service providers—mom-and-pop wireless Internet service providers (WISPs), small cable operators, municipal broadband providers, electric cooperatives, rural telephone companies, and others—worried that they would be subject to unnecessary, onerous, and ill-defined reporting obligations.

Like you, I believe that the Commission works best when it works on a bipartisan basis. That's why last year I reached across the aisle to work out a compromise, and why I modeled the *Small Business Reporting Exemption Order* on your Small Business Broadband Deployment Act of 2017—which received bipartisan support and passed the House by voice vote without objection earlier this year.¹ And that's why after I received your letter, I reached out to my colleague yet again to determine whether an alternative compromise would amenable to her. Unfortunately, my compromise proposal was rejected. Nonetheless, our action will help the nation's small Internet service providers better serve their communities, like the ones you mentioned in your home state.

I appreciate your interest and effort in this matter. I look forward to working with you on many important issues in my new role as Chairman. Please let me know if I can be of any further assistance.

Sincerely,



Ajit V. Pai

¹ See Small Business Broadband Deployment Act, H.R. 4596, 114th Cong. § 2(d)(2) (2016); Small Business Broadband Deployment Act, S. 2283, 115th Cong. § 2(a)(4) (2017); Small Business Broadband Deployment Act, H.R. 288, 115th Cong. § 2(d)(2) (2017).